

Attach to your return

First name and initial - If joint return, also give spouse's name and initial

Last name

Social security number

Part A Calculation of Underpayment

1 I am claiming an exception from the imposition of the estimated payment penalty and

interest because I qualified for federal relief under IRC § 6654. Check box and see instructions ☐

2 Amount of tax for 1998 from Form 140, page 1, line 29, or Form 140PY page 1, line 29, or Form 140NR page 1, line 29 ..

3 Tax credits claimed on your 1998 Arizona return

4 Subtract line 3 from line 2

5 Multiply line 4 by 90% (.90)

6 Enter the immediately preceding year's tax liability (after tax credits). See instructions

7 Required annual payment. Enter the lesser of line 5 or line 6

8 Payment date

9 Divide the amount on line 7 by the number of payments required for the year (usually four). Enter the result in appropriate columns. However, if you use any other installment method, check this box ☐ If you annualize, complete the worksheet on page 2 of this form and enter the amount from line 23 of that worksheet in each column of line 9

10 Estimated tax paid and withheld. See instructions

11 Overpayment. See instructions

12 Add lines 10 and 11

13 Underpayment. (Subtract line 12 from line 9) or Overpayment. (Subtract line 9 from line 12.)

Part B Underpayment of Estimated Tax Penalty

14 Rate period one: 8% (4/15/98 - 6/30/98) Computation starting date for this period

15 Number of days after the date on line 14 through the date the amount on line 13 was paid or June 30, 1998, whichever is earlier

16 Number of days on line 15 x 8% x underpayment on line 13

17 Rate period two: 8% (7/1/98 - 9/30/98) Computation starting date for this period

18 Number of days after the date on line 17 through the date the amount on line 13 was paid or September 30, 1998, whichever is earlier

19 Number of days on line 18 x 8% x underpayment on line 13

20 Rate period three: 8% (10/1/98 - 12/31/98) computation starting date for this period

21 Number of days after the date on line 20 through the date the amount on line 13 was paid or December 31, 1998, whichever is earlier

22 Number of days on line 21 x 8% x underpayment on line 13

23 Rate period four: * (1/1/99 - 4/15/99) computation starting date for this period ..

24 Number of days after the date on line 23 through the date the amount on line 13 was paid or April 15, 1999, whichever is earlier

25 Number of days on line 24 x * x the underpayment on line 13 plus any penalty from rate periods one, two, and three if the underpayment is unpaid as of 1/1/99

26 Total penalty. Add the amount in columns (a) and (b), line 16, and the amounts in columns (a), (b), and (c), lines 19 and 22, and the amounts in columns (a), (b), (c) and (d), line 25

Part C Interest

27 Amount of underpayment from line 13 above

28 Rate period one: 8% (4/15/98 - 6/30/98) computation starting date for this period

29 Number of days after the date on line 28 through the date the amount on line 27 was paid or June 30, 1998, whichever is earlier

*TO BE ANNOUNCED

	(a)	(b)	(c)	(d)
30 Number of days on line 29 x 8% x underpayment on line 27 365	30			
31 Rate period two: 8% (7/1/98 - 9/30/98) computation starting date for this period	31	6/30/98	6/30/98	9/15/98
32 Number of days after the date on line 31 through the date the amount on line 27 was paid or September 30, 1998, whichever is earlier	32	days:	days:	days:
33 Number of days on line 32 x 8% x underpayment on line 27 365	33			
34 Rate period three: 8% (10/1/98 - 12/31/98) computation starting date for this period	34	9/30/98	9/30/98	9/30/98
35 Number of days after the date on line 34 through the date the amount on line 27 was paid or December 31, 1998, whichever is earlier	35	days:	days:	days:
36 Number of days on line 35 x 8% x underpayment on line 27 365	36			
37 Rate period four: * (1/1/99 - 4/15/99) computation starting date for this period	37	12/31/98	12/31/98	12/31/98
38 Number of days after the date on line 37 through the date the amount on line 27 was paid or April 15, 1999, whichever is earlier	38	days:	days:	days:
39 Number of days on line 38 x * x the underpayment on line 27 plus any interest 365 outstanding on 1/1/99	39			
40 Total interest. Add the amounts in columns (a) and (b), line 30, and the amounts in columns (a), (b), and (c), lines 33 and 36, and the amounts in columns (a), (b), (c), and (d), line 39	40			
41 Total penalty and interest. Add column (d), line 26 to column (d), line 40	41			.00

Annualized Income Installment Worksheet

Complete lines 1-23 of one column before completing the next column.	1/1/98 to 3/31/98	1/1/98 to 5/31/98	1/1/98 to 8/31/98	1/1/98 to 12/31/98
1 Enter your Arizona adjusted gross income without your dependent, blind or over 65 exemptions for each period	1			
2 Annualization amounts	2	4	2.4	1.5
3 Annualized income. <i>Multiply line 1 by line 2</i>	3			
4 Enter your itemized deductions for the period shown in each column. If you do not itemize, enter zero and skip to line 7	4			
5 Annualized amounts	5	4	2.4	1.5
6 Annualized itemized deductions. <i>Multiply line 4 by line 5</i>	6			
7 Enter your standard deduction from Arizona Form 140, line 23, Form 140PY, line 23, or Form 140NR, line 23	7			
8 Enter amount from line 6 or line 7, whichever is larger	8			
9 Subtract line 8 from line 3	9			
10 Enter the amount allowed for personal, blind, over 65, and dependent exemptions claimed on your Arizona Form 140, Form 140PY, or Form 140NR	10			
11 Subtract line 10 from line 9	11			
12 Figure your tax on the amount on line 11 using Tax Rate Table X or Y	12			
13 For each period, enter the amount of tax credits allowed on your Arizona Form 140, Form 140PY, or Form 140NR	13			
14 Subtract line 13 from line 12. <i>If zero or less, enter zero</i>	14			
15 Applicable percentages	15	22.5%	45%	67.5%
16 Multiply line 14 by line 15	16			
17 Enter the combined amounts of line 23 from all preceding columns	17			
18 Subtract line 17 from line 16. <i>If less than zero, enter zero</i>	18			
19 Divide line 7 from front of Form 221 by four (4) and enter the result in each column	19			
20 Enter the amount from line 22 of the preceding column of this worksheet	20			
21 Add lines 19 and 20 and enter the total	21			
22 If line 21 is more than line 18, subtract line 18 from line 21. Otherwise, enter zero	22			
23 Enter the smaller of line 18 or line 21 here and on page 1, line 9	23			

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